By

JB No. 665

# A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the procedure for the Texas Water Commission's
- 3 assumption of jurisdiction over a nonprofit water supply corporation.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 13.044(a), Water Code, is amended to
- 6 read as follows:
- 7 (a) On petition of five percent of the ratepayers of a
- 8 nonprofit water supply corporation created and operating under
- 9 Chapter 76, Acts of the 43rd Legislature, 1st Called Session,
- 10 1933 (Article 1434a, Vernon's Texas Civil Statutes), the Commission
- 11 [shall] may, after notice and hearing, assume jurisdiction over
- 12 the nonprofit water supply corporation under this chapter. If there
- 13 are more than  $[\frac{1}{2}\theta]$   $\frac{400}{9}$  ratepayers of the nonprofit water supply
- 14 corporation, the petition is sufficient if signed by  $[\frac{1}{2}\theta\theta]$  400
- 15 of those ratepayers.
- 16 SECTION 2. The importance of this legislation and the crowded
- 17 condition of the calendars in both Houses create an emergency and an
- 18 imperative public necessity that the constitutional rule requiring
- 19 bills to be read on three several days in each House be suspended,
- 20 and this rule is hereby suspended, and that this Act take effect and
- 21 be in force from and after its passage, and it is so enacted.

By: Armbrister

(In the Senate - Filed March 4, 1987; March 5, 1987, read first time and referred to Committee on Natural Resources; March 19, 1987, reported adversely, with favorable Committee Substitute by the following vote: Yeas 6, Nays 0; March 19, 1987, sent to printer.)

### COMMITTEE VOTE

8		Yea	Nay	PNV	Absent
9	Santiesteban	x			
10	Montford				X
11	Armbrister	x			
12	Brown	x			
13	Lyon				х
14	Sarpalius				х
15	Sims	x			
16	Tejeda	х			
17	Uribe				Х
18	Whitmire				х
19	Zaffirini	х			

COMMITTEE SUBSTITUTE FOR S.B. No. 665

By: Armbrister

# A BILL TO BE ENTITLED AN ACT

relating to the procedure for the Texas Water Commission's assumption of jurisdiction over a nonprofit water supply corporation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. Subsections (a) and (c), Section 13.044, Water Code, are amended to read as follows:

- (a) On petition of 10 [five] percent or 500 of the ratepayers of a nonprofit water supply corporation created and operating under Chapter 76, Acts of the 43rd Legislature, 1st Called Session, 1933 (Article 1434a, Vernon's Texas Civil Statutes), whichever is less, the Commission shall assume jurisdiction over the nonprofit water supply corporation under this chapter. [If-there-are-mere-than-100-ratepayers-ef--the--nenprofit water-supply--corporation,-the-petition-is-sufficient-if-signed-by 100-ef-these-ratepayers-]
- (c) If a nonprofit water supply corporation comes under the jurisdiction of the commission under this section, the jurisdiction of the commission shall [may] be rescinded on a petition meeting the same criteria as required by Subsection (a) of this section for a petition for the assumption of jurisdiction. However, if the jurisdiction is rescinded, the rescission is not applicable to any case involving the nonprofit water supply corporation that is pending before the commission on or before the date of rescission.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

1	* * * *
2 3 4 5	Austin, Texas March 19, 1987 Hon. William P. Hobby President of the Senate
6	Sir:
7 8 9 10	We, your Committee on Natural Resources to which was referred S.B. No. 665, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass, but that the Committee Substitute adopted in lieu thereof do pass and be printed.
12	Santiesteban, Chairman

# SENATE FAVORABLY AS SUBSTITUTUED COMMITTEE REPORT

Lt. Governor William P. Hobby President of the Senate			3 19 (date	2/M e)/(time)
Sir:				
We, your Committee on NA	TURAL RESOURCES		to v	which was referred
(measure) by Av	(sponsor)	have on(h	earing date), 19	87, had the same
under consideration and I am ir	nstructed to report it bac	k with the recomn	nendation (s) that i	t
do pass as substituted, and the caption remained th ( ) the caption changed wi	ne same as original measi			
( ) do pass as substituted, and	be ordered not printed			
and is recommended for p	lacement on the Local ar	nd Uncontested Bil	lls Calendar.	
A fiscal note was requested.	Hyes () 1	10		
A revised fiscal note was reques	ted. Wyes () r	10		
An actuarial analysis was reques	sted. () yes +	бо		
Considered by subcommittee.	() yes $\longrightarrow$ r	10		
Senate Sponsor of House Measu	ire <u>Avman</u>	der		
The measure was reported from	Committee by the follo	wing vote:		
	YEA	NAY	PNV	ABSENT
Santiesteban, Chairman Montford, Vice Chairman			T	<u> </u>
Armbrister				
Brown				
Lyon				
Sarpalius				
Sims				
Tejeda				_
Uribe				
Whitmire				
Zaffirini				
TOTAL VOTES	L &	0		5
COMMITTER CLERK		Sand		mse.

Paper clip the original and one copy of this form along with TWO copies of the Committee Substitute to the original bill and retain one copy for Reporting Committee file.



7087

# BILL ANALYSIS

By: Armbrister

C.S.S.B. 665 Senate Committee on Natural Resources

### BACKGROUND:

Currently, Section 13 of the Water Code grants 100 ratepayers of a nonprofit water supply corporation the right to petition the Water Commission for that water supply corporation to be under Water Commission purview. Additionally, 5% of the ratepayers may also petition the Commission (if that number is less than 100) for the same jurisdiction. It has been suggested that even if the Commission feels that such a move would be inefficient or counterproductive, the Commission must, nonetheless, assume jurisdiction.

# PURPOSE:

As proposed, C.S.S.B. 665 grants the Water Commission the right to reject jurisdiction over a water supply corporation.

#### RULEMAKING AUTHORITY:

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

# SECTION BY SECTION ANALYSIS:

SECTION 1. Amends Section 13.044(a) and (c), Water Code, for the Commission to assume Commission would to jurisdiction over a nonprofit water supply corporation under this chapter and increases to 500 the number of signers on a petition under this chapter.

(c) provides for conditions under which commission jursidiction could be rescinded.

SECTION 2. Emergency clause.

### COMPARISON OF ORIGINAL BILL TO SUBSTITUTE

Enumerated below are the substantial differences between the original bill and the substitute version:

The original bill provided for notice and hearing to occur on petition of the ratepayers. The substitute did not include this provision. The original bill addressed the issue of 400 ratepayers as sufficient on a petition. The substitute provides for 500 ratepayers. The substitute addresses the mandatory jurisdiction of the commission that might be rescinded on a petition meeting the criteria in the abovementioned subsection. The original bill did not address this issue.

Austin, Texas

# FISCAL NOTE

March 18, 1987

T0:

Honorable H. Tati Santiesteban, Chairman Committee on Natural Resources

In Re: Senate Bill No. 665

By: Armbrister

Senate Chamber

Austin, Texas

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Bill No. 665 (relating to the procedure for the Texas Water Commission's assumption of jurisdiction over a nonprofit water supply corporation) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

Source: Texas Water Commission; LBB Staff: JO, HES, JWH, JG, MC

Austin, Texas

# FISCAL NOTE

April 7, 1987

T0:

Honorable Terral Smith, Chair Committee on Natural Resources House of Representatives

Austin, Texas

In Re: Senate Bill 665,

as engrossed By: Armbrister

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Bill No. 665, as engrossed (relating to the procedure for the Texas Water Commission's assumption of jurisdiction over a nonprofit water supply corporation) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

Source: Texas Water Commission; LBB Staff: JO, HES, JWH, JG, LV

# REQUEST FOR LOCAL & UNCONTESTED CALENDAR PLACEMENT

Hon. Roy Blake, Chairman Administration Committee

Cim.

SII.			
Notice is hereby given that _	(C55/B)	665	by: Darny
		٦	

was heard by the Committee on Marian USon US on 3/13, 1987, and reported out with the recommendation that it be placed on the Local and Uncontested Calendar.

Clerk of the reporting committee

IMPORTANT: A COPY OF THIS FORM MUST BE ATTACHED TO A PRINTED COPY OF THE BILL OR RESOLUTION, WHICH ALONG WITH 14 ADDITIONAL COPIES OF THE BILL OR RESOLUTION SHOULD BE DELIVERED TO THE OFFICE OF THE COMMITTEE ON ADMINISTRATION, ROOM 419. PLEASE CALL 3-0305 IF YOU HAVE ANY QUESTIONS. DEADLINE FOR SUBMITTING BILLS FOR THE LOCAL CALENDAR IS 3:00 P.M. FRIDAYS.

1

Substitute the following for SB 665

# A BILL TO BE ENTITLED

AN ACT relating to the procedure for the Texas Water Commission's 2 assumption of jurisdiction over a nonprofit water supply corporation. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Section 13.044, Subsections (a) and (c), Water 6 Code, are amended to read as follows: (a) On petition of ten five percent or 500 of the ratepayers 7 of a nonprofit water supply corporation created and operating under Chapter 76, Acts of the 43rd Legislature, 1st Called Session, 1933 (Article 1434a, Vernon's Texas Civil Statutes), whichever is less, 10 the Commission shall assume jurisdiction over the nonprofit 11 water supply corporation under this chapter. ||If-there-are 12 more-than-100-ratepayers-of-the-nonprofit-water-supply-corporation; 13 the-petition-is-sufficient-if-signed-by-100-of-those-ratepayers. 14 15 (c) If a nonprofit water supply corporation comes under the jurisdiction of the commission under this section, the jurisdiction 16 of the commission shall may be rescinded on a petition meeting 17 the same criteria as required by Subsection (a) of this section for 18 a petition for the assumption of jurisdiction. However, if the 19 jurisdiction is rescinded, the rescission is not applicable to any 20 case involving the nonprofit water supply corporation that is pending 21 before the commission on or before the date of rescission. 22 SECTION 2. The importance of this legislation and the forwded 23 condition of the calendars in both houses create an emergency and an 24 imperative public necessity that the constitutional rule requiring 25 bills to be read on three several days in each House be suspended, 26 and this rule is hereby suspended, and that this Act take effect 27 and be in force from and after its passage, and it is so enacted. 28

3/19/87 De 3/25/87

Mark 26 1987 Engrossed

Atty Daw

Engrossing Clerk

copy of SC (103 a true and correct seceived from the Senate of MAR 26 1987 Committee on March Committee on March Committee on Chief Clark Musical Committee Chief Clark March Committee Chief Clark March Committee Chief Clark March Committee Chief Chief Clark March Committee Chief Chief Clark March Committee Chief Chief Clark March Committee Chief Chie

By: Armbrister (Saunders)

S.B. No. 665

#### A BILL TO BE ENTITLED

1 AN ACT

2 relating to the procedure for the Texas Water Commission's

assumption of jurisdiction over a nonprofit water supply

4 corporation.

3

7

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subsections (a) and (c), Section 13.044, Water

Code, are amended to read as follows:

- Я petition of 10 [five] percent or 500 of (a) On the ratepayers of a nonprofit water supply corporation created 9 and operating under Chapter 76, Acts of the 43rd Legislature, 1st 10 Called Session, 1933 (Article 1434a, 11 Vernon's Texas Civil 12 Statutes), whichever is less, the Commission shall assume 13 jurisdiction over the nonprofit water supply corporation under this 14 chapter. [If-there-are-more-than-100-ratepayers-of--the--nonprofit
- Water-supply-corporation,-the-petition-is-sufficient-if-signed-by
- 16 100-of-those-ratepayers-]
- 17 (c) If a nonprofit water supply corporation comes under the 18 jurisdiction of the commission under this section, the jurisdiction 19 of the commission shall [may] be rescinded on a petition meeting the same criteria as required by Subsection (a) of this section for 20 21 a petition for the assumption of jurisdiction. However, if the jurisdiction is rescinded, the rescission is not applicable to any 22 case involving the nonprofit water supply corporation that 23 24 pending before the commission on or before the date of rescission.
- 25 SECTION 2. The importance of this legislation and the

S.B. No. 665

crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its

6 passage, and it is so enacted.

S.B. No. 665

1	COMMITTEE AMENDMENT NO. 1
2	Amend SB 665 in the following manner:
3	Add a new Section 13.044(d), Water Code, in Section 1. of the
4	bill which reads as follows:
5	(d) An applicant for service from a water supply or sewer
6	service corporation may petition the commission for review of the
7	reasonableness of fees assessed for extension of service or
8	upgrading of facilities in addition to the regular membership or
9	tap fees. If the commission finds the fee to be unreasonable, it
10	shall establish the fee to be charged.
11	Russell

# HOUSE COMMITTEE REPORT

# 1st Printing

By: Armbrister (Saunders)

S.B. No. 665

#### A BILL TO BE ENTITLED

AN ACT

2	relating	to	the	procedure	for	the	Texas	Water	Commission's

assumption of jurisdiction over a nonprofit water supply

4 corporation.

1

3

5

6

7

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsections (a) and (c), Section 13.044, Water Code, are amended to read as follows:

- petition of 10 [five] percent or 500 of 8 (a) On the 9 ratepayers of a nonprofit water supply corporation created 76, Acts of 10 operating under Chapter the 43rd Legislature, 1st 11 Called Session, 1933 (Article 1434a, Vernon's Texas Civil 12 whichever is less, the Commission shall assume 13 jurisdiction over the nonprofit water supply corporation under this 14 [If-there-are-more-than-100-ratepayers-of--the--nonprofit 15 water--supply--corporation,-the-petition-is-sufficient-if-signed-by 100-of-those-ratepayers-] 16
- 17 (c) If a nonprofit water supply corporation comes under 18 jurisdiction of the commission under this section, the jurisdiction 19 of the commission shall [may] be rescinded on a petition meeting 20 the same criteria as required by Subsection (a) of this section for 21 a petition for the assumption of jurisdiction. However, if. 22 jurisdiction is rescinded, the rescission is not applicable to any 23 case involving the nonprofit water supply corporation that 24 pending before the commission on or before the date of rescission.
- 25 SECTION 2. The importance of this legislation and the

S.B. No. 665

- 1 crowded condition of the calendars in both houses create an
- 2 emergency and an imperative public necessity that the
- 3 constitutional rule requiring bills to be read on three several
- 4 days in each house be suspended, and this rule is hereby suspended,
- 5 and that this Act take effect and be in force from and after its
- 6 passage, and it is so enacted.

S.B. No. 665

1	COMMITTEE AMENDMENT NO. 1
2	Amend SB 665 in the following manner:
3	Add a new Section 13.044(d), Water Code, in Section 1. of the
4	bill which reads as follows:
5	(d) An applicant for service from a water supply or sewer
6	service corporation may petition the commission for review of the
7	reasonableness of fees assessed for extension of service or
8	upgrading of facilities in addition to the regular membership or
9	tap fees. If the commission finds the fee to be unreasonable, it
10	shall establish the fee to be charged.
11	Russell

# **COMMITTEE REPORT**

The Honorable Gib Lewis

Speaker of the House of Representatives

5-15-87

(date)

	toprocontain to			,
Sir:				
We, your COMMITTEE ON	NATURAL RESOURCES	<b>S</b> ,		
to whom was referred	SB 665 (measure)	have had the same u	inder consideratio	n and beg to report
back with the recommenda	ition that it		•	
( ) do pass, without amend (X) do pass, with amendme ( ) do pass and be not pri	ent(s).	ttee Substitute is recom	mended in lieu o	f the original measure.
A fiscal note was requeste	d. (X) yes () no	An actuaria	l analysis was red	quested. ( ) yes 💃χ) no
An author's fiscal statement	nt was requested. ( ) yes	(χ) no		
The Committee recommen	ds that this measure be p	olaced on the ((),cope())xo	( <b>(Qqrxsent)</b> ; Calend	dar.
This measure ( ) proposes	new law. (x) amends	s existing law.		
House Sponsor of Senate	MeasureSaunder:	S		
The measure was reported		following vote:		
	AYE	NAY	PNV	ABSENT
Smith, T., Ch.	X			ADOLIVI
Harris, J., V.C.	X X	,	<b>N</b> <sub>p</sub>	
Johnson, C., C.B.O.				X
Hammond				Х
Holzheauser	X			
Russell	X			
Shelley	X			
Toomey				X
Yost	X			
			***	

Total		
6	aye	1 dran , ? When
0	nay	CHAIRMAN
0	present, not voting	Laura Colfee
3	absent	COMMITTEE COORDINATOR

#### BILL ANALYSIS

### Background

Currently, Section 13, Water Code, provides that the Water Commission may gain jurisdiction over a nonprofit water supply corporation if either 100 ratepayers or 5% of the ratepayers (whichever is lower) petition the Commission to do so. The Commission is not required to relinquish this jurisdiction.

### Purpose of the Bill

This bill would set the number of petitioners necessary to bring a nonprofit water supply corporation under the jurisdiction of the Texas Water Commission at either 10% or 500 ratepayers, and require the Commission to relinquish jurisdiction upon receiving a petition meeting those same requirements.

# Section by Section Analysis

SECTION 1. Amends Section 13.044(a), Water Code, to provide that the Texas Water Commission shall assume jurisdiction over a nonprofit water supply corporation if either 10% or 500 ratepayers, whichever is less, sign a petition requesting this action by the Commission. Also provides that such jurisdiction shall be rescinded by a petition meeting the same requirements.

SECTION 2. Emergency clause.

### Rulemaking Authority

It is the opinion of this committee that this bill does not delegate rulemaking authority to any state agency, officer, department, or institution.

# Summary of Committee Action

Public notice was posted in accordance to the rules and a formal meeting was held on Friday, May 15, 1987, and the full committee voted to report SB 665 to the House as amended with a recommendation that it do pass by a record vote of 6 ayes, zero nays and zero present, not voting.

### Effect of Committee Amendments

The Committee Amendment provides that applicants for service from certain districts would be able to petition the Commission for review of fees assessed, and that the Commission could set the fees if it finds current fees to be unreasonable.

Austin, Texas

# FISCAL NOTE

April 7, 1987

T0:

Honorable Terral Smith, Chair Committee on Natural Resources House of Representatives Austin, Texas

FROM: Jim Oliver, Director

In Re: Senate Bill 665, as engrossed By: Armbrister

In response to your request for a Fiscal Note on Senate Bill No. 665, as engrossed (relating to the procedure for the Texas Water Commission's assumption of jurisdiction over a nonprofit water supply corporation) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

Source: Texas Water Commission; LBB Staff: JO, HES, JWH, JG, LV

Austin, Texas

# FISCAL NOTE

March 27, 1987

TO: Honorable H. Tati Santiesteban, Chairman In Re: Committee Substitute Committee on Natural Resources for Senate Bill No. 6 for Senate Bill No. 665 Senate Chamber

Austin, Texas

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Committee Substitute for Senate Bill No. 665 (relating to the procedure for the Texas Water Commission's assumption of jurisdiction over a nonprofit water supply corporation) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

Texas Water Commission; LBB Staff: JO, HES, JWH, JG, LV

Austin, Texas

# FISCAL NOTE

March 18, 1987

TO:

Honorable H. Tati Santiesteban, Chairman

In Re: Senate Bill No. 665

Committee on Natural Resources

By: Armbrister

Senate Chamber Austin, Texas

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Bill No. 665 (relating to the procedure for the Texas Water Commission's assumption of jurisdiction over a nonprofit water supply corporation) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

Source: Texas Water Commission;

LBB Staff: JO, HES, JWH, JG, MC

By

AN ACT relating to the procedure for the Texas Water Commission's assumption jurisdiction over a nonprofit water supply corporation. 5 1987 Read and referred to Committee on \_\_\_\_\_NATURAL RESOURCES Reported favorably MAR 19 1987 Reported adversely, with favorable Committee Substitute; Committee Substitute read first time. Ordered not printed MAR 2 6 1987 Laid before the Senate unanimous consent \_ Senate and Constitutional Rules to permit consideration suspended by: \_\_, and ordered engrossed by: unanimous consent MAR 26 1987 Read second time, \_ Caption ordered amended to conform to the body of the bill. MAR 2 : 1987 Senate and Constitutional 3 Day Rule suspended by a vote of 30 yeas, MAN 20 1987 Read third time, \_\_\_ **OTHER ACTION:** Sent to House **Engrossing Clerk** MAR 26 1987 Received from the Senate MAR 30 1987 Read first time and referred to Committee on Reported favorably amended, sent to Printer at \_ MAY 20 IAY 21 Sent to Committee on Calendars Read Second time (amended): passed to third reading (failed) by (Non-Record Vote) Record Vote of\_ \_ nays\_\_ \_\_present not voting. Constitutional Rule requiring bills to be read on three several days suspended (failed to suspend) by a four-fifths vote of \_\_ \_ yeas, \_\_\_\_ \_\_ nays \_\_\_\_\_ \_\_ present not voting. Read third time (amended); finally passed (failed) by a (Non-Record Vote) Record Vote of \_yeas, \_\_\_\_ nays \_\_\_\_ present not voting. Caption ordered amended to conform to body of bill. Returned to Senate. **CHIEF CLERK OF THE HOUSE** Returned from House without amendment. Returned from House with\_ \_ amendments. Concurred in House amendments by a viva voce vote\_

	Refused to concur in House amendments and requested the appointment of a Confer adjust the differences.	ence Committee to
	_ Senate conferees instructed.	
	_ Senate conferees appointed:, Chairman;	· · · · · · · · · · · · · · · · · · ·
	, and	
	_ House granted Senate request. House conferees appointed:	
	Conference Committee Report read and filed with the Secretary of the Senate.	
	Conference Committee Report adopted on the part of the House by:	
	a viva voce vote  yeas, nays	
	_ Conference Committee Report adopted on the part of the Senate by:	
·	a viva voce vote  yeas, nays	
OTHER ACT	ION:	
	Recommitted to Conference Committee	
	_ Conferees discharged	
	_ Conference Committee Report failed of adoption by:	
	a viva voce vote  yeas,nays	